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Handwritten notes:
Re: [unclear]
[unclear] [unclear]

Chief, St/I/R

9 November 1956

THRU

Chief, D/S

Chief, S/ST

25X1A2g

Requirement for Source of [redacted] 29 October 1956
Inquiry for 6500-9800 hp Diesel Engines

BACKGROUND

1. The subject report states that the source, described as a US executive of a company manufacturing diesel engines, is available for further questioning.
2. The report indicated Soviet interest in procuring diesel engines in the 6500-9800 horsepower range for marine application, possibly from a US supplier. If these engines had a rotary speed of 200 rpm or over they would be embargoed for shipment from the U.S. to Bloc destinations. If the rotary speed was 600 rpm or greater they would be embargoed for shipment from any COCOM participating or cooperating country to the Bloc. In addition, both the US and COCOM countries embargo the shipment of diesel engines if their nonmagnetic content exceeds 50% of their weight. While it is unlikely that a reputable US manufacturer would consider a sale of this type, information concerning Soviet procurement efforts in this field are of considerable value.
3. The report referred to a "little known equipment firm with headquarters in the U.S.", which was described as engaged in a substantial amount of business with USSR trading agencies. It is possible that this firm or its principals may be violating US regulations, particularly the Treasury's Foreign Assets Control Regulations. Information concerning this firm would be valuable to agencies in the Economic Defense community (after proper OO/C clearance is arranged.)

REQUIREMENT

4. Answers to the following questions are desired:
 - a. What is the rotary speed capability of the engines in question? Does the non-magnetic content of these engines exceed half of their weight?
 - b. What is the identity and who are the principals of the international equipment firm making the inquiry, if this can be disclosed? Does this firm engage in any trade with Communist China? What other details might be available

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concerning this firm and its activities?

5. The report stated that the equipment firm's representative would have subsequent information for the source of the report. This information would be of interest.

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[REDACTED]

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